

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Securities Act of Washington by:

BLW, LLC (a former limited liability
company) and Arthur D. Bird,
Respondents

SDO -98 - 00

CONSENT ORDER AND ORDER VACATING
SDO 83-00 AS TO ARTHUR D. BIRD AND
BLW, LLC

Case No: 98-01-0034

The Securities Division of the Department of Financial Institutions, pursuant to the Securities Act of Washington, and Arthur D. Bird and BLW, LLC each do hereby enter into this CONSENT ORDER in settlement of the above captioned matter. Without admitting or denying the Securities Division's allegations, Arthur D. Bird and BLW, LLC each consent to the entry of this order. Arthur D. Bird and BLW, LLC each acknowledge the Securities Division's jurisdiction over this matter and its authority to enter this order.

The Securities Division alleges as follows:

I.

BLW, LLC was a Wyoming limited liability company with its principal place of business at 11225 SE 6th Street, Suite 205, Bellevue, Washington 98004. Its registered agent was Registered Agency Services, Inc., 1912 Capitol Ave., Cheyenne, Wyoming 82003. BLW, LLC is no longer in existence.

II.

CONSENT ORDER AND ORDER
VACATING SDO 83-00

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**DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760**

1 Paul A. Webber, Arthur D. Bird, and Bird's assistant, Francis Woodcock, were managers of BLW,
2 LLC. All had signature authority over the BLW, LLC business checking account.

3 III.

4 BLW, LLC was organized by Arthur D. Bird in order to purchase, for \$60,000, a five percent
5 interest in a credit card clearing operation, Financial Card Services, Inc., a Nevada corporation. Webber and
6 Bird sold units in BLW, LLC to fourteen other investors for a total of \$52,500. The remaining \$10,500
7 came from Bird and Webber. Investors were told that their investments would double or triple in value in a
8 year. They were told that in the worst case they would merely get their investments back. Webber solicited
9 most of the investments in BLW, LLC although Bird also talked to some of the investors prior to their
10 investments. The investments were sold in late 1995. All but \$3,000 of the funds raised for BLW, LLC
11 were wired to a San Diego attorney to purchase the interest in Financial Card Services, Inc.

12 In late 1996, Bird and Woodcock wrote to the BLW, LLC investors and told them that the amount to
13 be raised had been increased. The letter went on to say that the limited liability company could either invest
14 additional money and go forward with the investment or could request the return of the money already
15 invested. At least some of the investors requested the return of their money. Webber told the investors that all
16 investors had to agree before the money would be returned. Later, investors were told that they would get their
17 money back in six to eight weeks. When, by December 1997, their money had not been returned as promised,
18 some investors requested a meeting with Webber and Bird. They were told that, under the bylaws of BLW,
19 LLC, all of the investors had to request a meeting in order for one to be held. The investors never received the
20 bylaws or a summary of the bylaws of BLW, LLC at the time of their investments or thereafter. The investors
21 never got their money back.

22 IV.

23 BLW, LLC is not currently registered to sell its securities in the state of Washington and has not
24 previously been so registered.

V.

Neither Paul Webber nor Arthur D. Bird is currently registered as a securities salesperson or broker-dealer in the state of Washington and neither has previously been so registered.

VI.

The offer and/or sale of BLW, LLC units described above constitute the offer and/or sale of a security as defined in RCW 21.20.005(10) and (12).

VII.

The offer and/or sale of those securities is in violation of RCW 21.20.140 because no registration or notification of claim of exemption for such offer and/or sale is on file with the Administrator of Securities, state of Washington.

VIII.

Arthur D. Bird has violated RCW 21.20.040 by offering or selling BLW, LLC securities while not registered as a securities salesperson or broker-dealer in the state of Washington.

IX.

The offers and sales of BLW, LLC securities were made in violation of RCW 21.20.010 because investors were not informed of material facts, including their rights as BLW, LLC unit holders. The omission of these material facts made the representations made concerning the investment misleading.

CONSENT ORDER

Based upon the foregoing:

IT IS AGREED AND ORDERED that Arthur D. Bird and BLW, LLC each cease and desist from sales of unregistered securities in violation of RCW 21.20.140.

1 IT IS ALSO AGREED AND ORDERED that Arthur D. Bird cease and desist from acting as an
2 unregistered securities broker/dealer or salesperson in violation of RCW 21.20.040.

3 IT IS ALSO AGREED AND ORDERED that Arthur D. Bird and BLW, LLC each cease and desist
4 from violation of RCW 21.20.010.

5 In consideration of the foregoing, Arthur D. Bird withdraws his request for hearing and waives his
6 right to a hearing on this matter, and the Securities Division hereby vacates the Statement of Charges and
7 Notice of Intention to Enter Order to Cease and Desist SDO-83-00 as to Arthur D. Bird.

8 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

9 DATED this _____ day of _____, 2000.
10
11

12 _____
13 Arthur D. Bird, individually

12 _____
13 Deborah R. Bortner
14 Securities Administrator

15 _____
16 BLW, LLC by:
17 Arthur D. Bird, former Manager

18 Approved By:

18 Presented By:

19 _____
20 Michael E. Stevenson
21 Chief of Enforcement

19 _____
20 Suzanne E. Sarason
21 Senior Enforcement Attorney